



The Administrator

January 13, 2017

The Honorable John Hoeven
Chairman, Committee on Indian Affairs
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office (GAO) final report entitled, *Indian Energy Development: Additional Actions by Federal Agencies Are Needed to Overcome Factors Hindering Development* (GAO-17-43). GAO made one recommendation addressed to the Administrator of GSA:

- "develop implementing guidance to clarify how contracting officials should implement and apply the statutory authority to provide a tribal preference to future acquisitions of energy products."

We have reviewed this report in depth and partially agree with the recommendation. The enclosure sets forth specific actions GSA plans on taking that will satisfactorily remedy the concerns raised by GAO. I want you to know that I consider this report, as well as the others we at GSA receive from GAO, to be a very useful tool to assist in our pursuit of continuous improvement in GSA operations to better serve the American people.

If you have any questions or concerns, please do not hesitate to contact me at (202) 501-0800 or Ms. Lisa Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,

A handwritten signature in blue ink that reads "Denise T. Roth".

Denise Turner Roth
Administrator

Enclosure

cc: The Honorable Gene L. Dodaro, Comptroller General, GAO
Mr. Frank Rusco, Director, Natural Resources and Environment (GAO)
The Honorable Shaun Donovan, Director, Office of Management and Budget
The Honorable Ron Johnson, Chair, Senate Committee on Homeland Security and Governmental Affairs
The Honorable Claire McCaskill, Ranking Member, Senate Committee on Homeland Security and Governmental Affairs
The Honorable Jason Chaffetz, Chair, House Committee on Oversight and Government Reform

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**The Honorable Elijah Cummings, Ranking Member, House Committee on Oversight and
Government Reform**

U.S. General Services Administration
Actions Planned to Address the Recommendations in the GAO Final Report -
Indian Energy Development: Additional Actions by Federal Agencies
Are Needed to Overcome Factors Hindering Development (GAO-17-43)

Recommendation

GAO recommends that the Administrator of the General Services Administration develop implementing guidance to clarify how contracting officials should implement and apply the statutory authority to provide a tribal preference to future acquisitions of energy products.

Action

GSA, as a member of the Federal Acquisition Regulatory (FAR) Council, will coordinate with the Office of Federal Procurement Policy, Department of Defense, and National Aeronautics and Space Administration to revisit the Energy Policy Act of 2005 and determine whether the FAR Council should issue Governmentwide guidance. To facilitate the process, GSA will:

- Provide analysis (white paper) of finding and present to the FAR Council for consideration.
- Await determination from FAR Council regarding the opening of a FAR Case.
- Assist the FAR team with drafting a rule to implement the statute.



G A O

Accountability * Integrity * Reliability

United States Government Accountability Office
Washington, DC 20548

B-411481.3

January 6, 2016

The Honorable Denise Turner Roth
Administrator, General Services Administration

Dear Madame Administrator:

Enclosed is a copy of our decision of today sustaining the protest of AllWorld Language Consultants, Inc. concerning the issuance of a task order to SOS International, Ltd. (SOSI), under request for quotations (RFQ) No. ID0415002, issued by the General Services Administration (GSA) to acquire, on behalf of the Department of the Air Force, linguistic support services to be performed in southwest Asia. **This decision, which is subject to the terms of a protective order issued by our Office, contains protected information and is not for public distribution.** We are preparing a version of the decision for public release and will provide you a copy as soon as it is available.


We sustain the protest because we conclude that GSA unreasonably found the quotation submitted by SOSI technically acceptable. We recommend that GSA terminate the task order issued to SOSI because it was based on providing linguists from a labor category that does not meet the requirements of the RFQ. We further recommend that the agency make a new source selection from among the remaining firms that is consistent with the enclosed decision. We also recommend that the protester be reimbursed its costs of filing and pursuing its protest, including reasonable attorneys' fees.

Since the enclosed decision contains a recommendation for corrective action, we direct your attention to 31 U.S.C. § 3554(b)(3), which requires that the head of the procuring activity responsible for the solicitation report to our Office if the agency has not fully implemented our corrective action recommendations within 60 days of receipt of our decision. The statute requires that such report be provided not later than 5 days after the end of the 60-day period. Also, since the decision contains a recommendation for reimbursement of costs, we direct your attention to 31 U.S.C. § 3554(c)(3), which requires the agency to pay the costs promptly or, if such payment is not made, to promptly report to our Office the reasons for the failure to follow the recommendation; we also direct your attention to section 21.8(f) of our Bid

Protest Regulations, 4 C.F.R. § 21.8(f), which sets forth the process for resolving cost reimbursement claims.

Please advise us, in any case, of the action taken on these recommendations.

Sincerely yours,


Susan A. Poling
General Counsel

Enclosure



NOT FOR PUBLIC DISTRIBUTION

THIS DOCUMENT CONTAINS PROTECTED
MATERIAL AND IS SUBJECT TO THE TERMS OF
A GAO PROTECTIVE ORDER.

Decision

Matter of: AllWorld Language Consultants, Inc.

File: B-411481.3

Date: January 6, 2015

Justin A. Chiarodo, Esq., Harvey G. Sherzer, Esq., Stephanie M. Zechmann, Esq., and Philip E. Beshara, Esq., Dickstein Shapiro LLP, for the protester.
Richard P. Rector, Esq., Daniel J. Cook, Esq., and C. Bradford Jorgensen, Esq., DLA Piper LLP- US, for SOS International, Ltd., an intervenor.
Adrienne Bolton, Esq., General Services Administration, for the agency.
Scott H. Riback, Esq., and Tania Calhoun, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest challenging agency's issuance of a task order to a firm under its Federal Supply Schedule (FSS) contract is sustained where record shows that the task order was based on awardee quoting a labor category under its FSS contract that does not meet the requirements of the solicitation.

DECISION

AllWorld Language Consultants, Inc., of Rockville, Maryland, protests the issuance of a task order to SOS International, Ltd. (SOSI), of Reston, Virginia, under request for quotations (RFQ) No. ID0415002, issued by the General Services Administration (GSA) to acquire, on behalf of the Department of the Air Force, linguistic support services to be performed in southwest Asia. AllWorld maintains that the agency misevaluated quotations, made an unreasonable source selection decision, and failed to engage in meaningful discussions with the protester.

We sustain the protest.

BACKGROUND

The RFQ contemplates the issuance, on a best-value basis, of a fixed-price task order to provide linguist services at various locations for a one-year base period and two 1-year options. The RFQ also includes both base and optional quantities that the acquiring activity can purchase at any time during the life of the task order. The

competition was confined to firms holding federal supply schedule (FSS) contracts. Firms were advised that the agency would evaluate quotations considering price, and two non-price factors, technical approach and past performance.¹ RFQ Instructions and Evaluation Factors, at 4. The RFQ further advised that technical approach was most important, past performance was second in importance, and price was third in importance. Id.

GSA received several quotations in response to the RFQ, including those submitted by AllWorld and SOSI. The agency evaluated the quotations, provided firms with an opportunity to submit revised prices, and also engaged in limited exchanges with the vendors. After receiving and evaluating the revised quotations, the agency issued a task order to SOSI on April 21, 2015. AllWorld filed a protest in our Office, maintaining that the agency misevaluated quotations. In response to that protest, GSA advised our Office that it intended to reevaluate quotations under the technical approach factor. In light of the agency's proposed corrective action, we dismissed AllWorld's earlier protest as academic.

The agency reevaluated quotations and assigned the SOSI quotation high confidence ratings under both the technical approach and past performance factors. The agency assigned the AllWorld quotation a significant confidence rating under the technical approach factor and a high confidence rating under the past performance factor. Agency Report (AR) exh. 14, Selection Decision, at 14. SOSI quoted a price of \$17,441,318, while AllWorld quoted a price of \$31,953,248. Id. The record also shows that SOSI quoted the lowest price among all firms. Id. at 37. On the basis of these evaluation results, GSA affirmed its issuance of the task order to SOSI. After being advised of the agency's selection decision and receiving a brief explanation of the agency's actions, AllWorld filed this protest.

PROTEST

AllWorld raises several challenges to the agency's evaluation of quotations and conduct of discussions. We have reviewed all of AllWorld's challenges and sustain its protest for the reasons discussed below. We deny AllWorld's remaining allegations. We note at the outset that, in reviewing protests concerning an agency's evaluation of quotations or proposals, we do not independently review the

¹ The RFQ provided that GSA would assign the quotations adjectival ratings of high confidence, significant confidence, medium confidence, little confidence, or no confidence under the technical approach factor. RFQ Instructions and Evaluation Factors, at 9. For the past performance factor, the RFQ advised that the agency would assign adjectival ratings of high confidence, significant confidence, medium confidence, little confidence, no confidence or unknown (neutral) confidence. Id. at 11-12.

quotations or proposals; rather, we review the record to ensure that an agency's evaluation is reasonable and consistent with the terms of the solicitation, as well as applicable statutes and regulations. Intelligent Decisions, Inc., et al., B-409686 et al., July 15, 2014, 2014 CPD ¶ 213 at 15-16.

SOSI's Proposed Labor Category

AllWorld argues that the agency improperly found SOSI's quotation technically acceptable, despite the fact that it quoted a labor category that does not contemplate providing personnel qualified to perform the solicited requirements. In this connection, the solicitation's performance work statement (PWS) provides, among other things, that the linguists to be provided must be capable of expressing themselves clearly and concisely both orally and in writing in English and the local language; produce idiomatic translations of non-technical material using correct syntax and speech in both English and the local language; and conduct consecutive, accurate translations of ongoing conversations and activities in both English and the local language. PWS at 5. The PWS also provides that the proposed linguists may be required to live and work in harsh desert environments, including living and working in temporary facilities such as tents; serve during a level of heightened state of threat; function effectively and efficiently during extended periods of high pressure and stress while maintaining a professional, functional demeanor at the scenes of crimes, many of which may be the result of violent or repugnant acts; function as an integral member of a team of highly trained professionals responsible for the safety and security of U.S. military and civilian personnel; and operate government-owned vehicles. PWS at 5-6.

AllWorld maintains that SOSI quoted just a single labor category that does not include many of the duties that the linguists are required to perform under the PWS, including oral expression of translation capabilities, producing idiomatic translations using correct syntax and speech, and conducting consecutive, accurate translations of ongoing conversations and activities. AllWorld notes that SOSI's quoted labor category also is confined to providing written translations at a SOSI facility or site, and does not contemplate providing services in what essentially amounts to warzone locations with all of the attendant difficulties and stresses. Finally, AllWorld points out that SOSI was afforded a significant competitive advantage by the agency's acceptance of its quoted labor category because the hourly rate for that category is substantially lower than the rates for other SOSI FSS labor categories that arguably could meet the requirements of the PWS.

GSA responds that it reasonably found SOSI's quotation technically acceptable. Specifically, GSA maintains that no contractor's FSS labor categories align precisely with the requirements of any particular PWS, and that, accordingly, the agency looked to the SOSI technical quotation to determine what duties SOSI's proposed linguists would perform. According to the agency, SOSI's technical quotation offered a labor mix that would meet the PWS requirements. GSA also

points out that it confirmed with SOSI that its quoted labor category included all of the services required under the PWS.

We find that GSA unreasonably found the SOSI quotation acceptable under the technical approach factor. The RFQ's technical approach evaluation factor required, among other things, that firms provide a staffing plan. The RFQ advised offerors as follows:

The Staffing Plan will be evaluated on how well the Quoter addressed and described the duties and responsibilities of each position and how the positions interface with . . . each other. It will also take into account the number of linguists by language, clearance level, and proficiency level. The Staffing Plan will measure . . . the Government's confidence . . . [in] how well the Quoter demonstrates staffing the proposed personnel (to include the Base requirement and the Optional requirement).

RFQ Instructions and Evaluation Criteria at 6.

The record shows that SOSI quoted just a single labor category to perform all of the linguist duties, specifically, the category of "Translator Written Translation--All Languages" which is described narratively in SOSI's FSS contract as follows:

Translates technical and non-technical documents, audio and video recordings, and other source media from and into English and the target language. Reviews and edits translations produced by others. Work performed at Contractor site.

AR, exh. 9b, SOSI FSS Schedule Labor Categories, at 1.

This labor category, on its face, does not enumerate a number of the necessary qualifications required for the proposed linguists to perform the services called for under the PWS. The "Translator Written Translation" labor category does not include providing oral translation services of any kind. It also expressly does not contemplate providing linguist services in any location other than a SOSI facility, nor does it contemplate providing those services under what amount to extremely stressful, war-zone-type conditions.

A review of the technical portion of the SOSI quotation shows that it restates certain of the PWS requirements relating to the services to be performed. AR, exh. 9, SOSI Technical Quotation, at 20. SOSI's quotation also includes an organizational chart that identifies three categories of linguists, "Senior Linguist/Site Lead," Senior Linguist" and "Linguist." Id. at 11. However, these particular labor categories are not included on—or defined in—SOSI's underlying FSS contract. Compare AR, exh.

9, SOSI Technical Quotation, at 11, with AR, exh. 9b, SOSI FSS Labor Category Definitions, and AR, exh. 9, SOSI Price Quotation, FSS Labor Categories, at 8.

A review of SOSI's price quotation shows that it is based entirely on providing just one labor category of linguists, namely, linguists that meet the definition of the "Translator Written Translation" labor category quoted above. AR, exh. 9, SOSI Price Quotation, at 4-6. This amounts to a patent inconsistency in the SOSI quotation. On the one hand, the SOSI technical quotation describes various duties that correspond to certain PWS requirements, and identifies three discrete labor categories of linguists. On the other hand, its price quotation is based on the hourly rate for a labor category of linguists that clearly do not possess the qualifications necessary to provide the services contemplated by the PWS.

GSA claims that it clarified the SOSI quotation during the acquisition, and an examination of the interchange between GSA and SOSI demonstrates that GSA apparently recognized the inconsistency in the SOSI quotation described above. However, there was no reasonable basis for GSA to have concluded, based on that exchange, that SOSI actually would be providing linguists that met the requirements of the PWS. The record of the exchange is as follows:

In the Labor Mix of the Pricing Volume the labor categories and associated labor rates used are Translator, Written Translation, All Languages at a rate of \$47.15 with escalation. The position description for the labor category in the Price List says "Translates technical and non-technical documents, audio and video recordings, and other source media from and into English and the target language. Reviews and edits translations produced by others. Work performed at Contractor site." However, in PWS section 4.1.1.1 (a) states "linguist shall be capable of: (a) Perform clear and concise expression orally and in writing (in both English and the local language).

SOSI Response: Yes.

AR, exh. 9d, Verbal Confer Memo to File. Other than this memorialization of a verbal exchange between SOSI and GSA, there is nothing in any of the materials that comprise the SOSI quotation that could be construed as a written representation on the part of SOSI to staff the task order with linguists qualified to provide all of the services contemplated under the PWS, or to utilize a labor category under its FSS contract that describes linguists that meet the RFQ's requirements in terms of their qualifications.

We note as well that GSA's underlying premise—that SOSI could identify a labor category under its FSS contract that did not meet all of the requirements of the PWS, but could somehow enhance or alter the narrative description and

qualifications of that labor category through the technical portion of its quotation—reflects a fundamental misunderstanding of the nature of FSS contracting. The labor categories identified and described in each firm's underlying FSS contract are fixed, discrete, specific labor category descriptions that are contractually binding and not subject to alteration, just as the technical specifications for products available under a firm's FSS contract are fixed, discrete, specific, contractually binding, and not subject to alteration. See American Systems Consulting, Inc., B-294644, Dec. 13, 2004, 2004 CPD ¶ 247 at 10-11.

To the extent a quoted labor category description under a firm's FSS contract does not, in the words of GSA, "align precisely" with the requirements of a given solicitation, the firm may not properly alter the underlying labor category description through the terms of its quotation. Rather, where a firm's quoted labor category description does not align with the requirements of the solicitation, it means that the quoted labor category does not meet the requirements of the solicitation, and therefore cannot serve as the basis for issuing a task order to the firm. American Systems Consulting, Inc., *supra*. at 10-11. In addition, to the extent that GSA seems to be suggesting that it was unobjectionable to issue the task order to SOSI because one or another of the labor categories under its FSS contract may include the services to be performed, that suggestion also misses the point because SOSI did not actually quote any of the other labor categories under its FSS contract. *Id.* at 10 n.4.

The record also shows that this inconsistency in the SOSI quotation provided the firm with a significant competitive advantage. The price per hour for "Translator Written Translation" labor category under SOSI's FSS contract is \$47.15. AR, exh. 9, SOSI Price Quotation, at 8. Other labor categories under the SOSI FSS contract are substantially more expensive. For example, the price for a linguist providing simultaneous/consecutive interpretation is \$81.28 per hour.²

² We note that the SOSI FSS price schedule includes a total of 30 labor categories ranging from \$33.53 per hour (for Title III Electronic Surveillance Audio and Videotape Translator/Transcriber (Spanish)) to \$179.48 (for Senior Cultural Advisor). AR, exh. 9, SOSI Price Quotation, at 8. SOSI's quotation includes narrative descriptions for only 11 of its 30 FSS labor categories. AR, exh. 9b, SOSI Quotation, Labor Category Descriptions. We identify the price for "Simultaneous/Consecutive Interpreter All Languages" above for illustrative purposes because that labor category description appears to include at least some of the PWS requirements (for example, the requirement to provide consecutive translation of ongoing conversations). However, it may well be that other, even higher-priced labor categories included in the SOSI FSS price list would be more appropriate to provide all of the services called for under the PWS.

As a final matter, the agency suggests that, even if AllWorld's allegation is correct, the firm was not prejudiced because calculating SOSI's price using one of the other labor categories still would result in SOSI being lower in price compared to AllWorld.³ However, there is no basis to perform such a calculation using any particular labor category under the SOSI FSS contract since, as noted, without more information there would be no basis for the agency reasonably to determine which of the 30 labor categories apparently available under the SOSI FSS contract would be the most appropriate ones to use. In addition, to the extent that the agency essentially is asserting that it would have made the same selection decision at a substantially different price, such a suggestion amounts to a claim advanced in the heat of litigation to which we give little weight. Boeing Sikorsky Aircraft Support, B-277263.2, B-277263.3, Sept. 27, 1997, 97-2 CPD ¶ 91 at 15.

In the final analysis, it was unreasonable for the agency to have found the SOSI quotation acceptable under the technical approach factor because it was based on providing linguists from a labor category that was not qualified to perform the RFQ requirements. While it is possible that there are other labor categories under SOSI's FSS contract that would meet the qualifications for linguists identified in the RFQ, SOSI did not actually quote any of these other labor categories. It follows that, regardless of the agency's hypothetical recalculation of SOSI's price, SOSI's quotation could not properly form the basis for issuance of the task order. We therefore sustain this aspect of SOSI's protest.

Expiration of the SOSI FSS Contract

AllWorld alleges that issuance of the task order to SOSI also was improper because its underlying FSS contract expired just three days after the agency issued the task order. As noted, the agency originally issued the task order to SOSI on April 21, 2015. The record shows that SOSI's underlying FSS contract ended just three days later, on April 24. AR, exh. 9, SOSI Quotation Cover Letter, at 2. According to the protester, because the SOSI FSS contract was set to expire just three days after issuance of the original task order, it was improper to issue the task order to SOSI because the agency cannot, for example, exercise any of the options included in the task order.

The agency responds that it was unobjectionable to issue the task order to SOSI, notwithstanding the fact that its underlying FSS contract was set to expire. The agency points out that SOSI's underlying FSS contract provides for the completion of orders issued during the FSS contract's effective period, even if performance

³ The agency performed alternative calculations using SOSI's "Simultaneous/Consecutive Interpretation" and "Linguist with Top Secret Level Clearance (Category III)" labor categories. Supplemental Agency Report at 5.

occurs after expiration of that period. GSA also takes the position that exercising the options under the task order would be unobjectionable because the exercise of the options does not constitute placement of a new order under SOSI's FSS contract.

The record shows that SOSI's FSS contract includes, in pertinent part, the following Federal Acquisition Regulation (FAR) provision:

(d) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period. . . .

FAR § 52.216-22. Thus, GSA is correct that SOSI's underlying FSS contract contemplates the circumstances here, namely, a situation where the agency issues a task order that includes a period of performance extending beyond the point in time when the underlying FSS contract expires. It follows that GSA properly could have issued the task order to SOSI prior to the expiration of its FSS contract.

However, we disagree with GSA that it properly may exercise any of the options included in the task order after SOSI's underlying FSS contract expired. Task orders under FSS contracts are not themselves stand-alone contracts. Rather, the rights and liabilities of the parties under every FSS task order are governed by, and subject to, the terms and conditions of the underlying FSS contract. As reflected in the FAR provision quoted above, "[t]he contract [that is, the underlying FSS contract] shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period." FAR § 52.216-22(d).

Exercising an option under a task order creates new contractual responsibilities for each party. Here, for example, unless and until the options actually are exercised by the agency, SOSI is not legally obligated to provide the services contemplated by the options and, correspondingly, GSA is not legally obligated to pay for those services. However, those new contractual responsibilities do not exist in a vacuum, but instead arise under, and are governed by, the terms and conditions of the underlying FSS contract. It follows that GSA cannot legally exercise the options included in the task order without a valid underlying FSS contract.

Our view in this connection is consistent with guidance explicitly found on GSA's FSS ordering guidelines website. In particular, GSA's website provides as follows:

Options may be included on orders placed against GSA Multiple Award Schedule (MAS) contracts, provided that the options are clearly

stated in the requirement and are evaluated as part of the ordering activity's best value determination. Such options may be exercised on GSA Schedule contract orders, provided that:

Funds are available;

The requirement covered by the option fulfills an existing government need;

Prior to exercising an option, the ordering activity ensures that it is still in the government's best interest, i.e., that the option is the most advantageous method of fulfilling the government's need, price, and other factors considered; and

The options do not extend beyond the period of the Schedule contract, including option year periods.

See <http://www.gsa.gov/portal/content/200369> (last visited on January 6, 2016; emphasis supplied).

In addition, GSA's position in this case is directly contradicted by advice it provided in connection with another case considered by our Office. That case involved circumstances where the Air Force was considering issuing a task order against a firm's FSS contract. The Air Force sought GSA's advice on the question of whether or not the agency could issue a task order to a firm whose FSS contract expired before exercise of options contemplated under that task order was to occur, and GSA advised that it would be improper to issue a task order under those circumstances. As described in our decision:

On August 29, the Air Force contract specialist contacted the GSA team lead and sought her opinion about whether the agency could exercise an option after the GSA schedule contract expired. In response, the GSA team lead stated that "[a]lthough the Contractor is obligated to complete the Task Order (even if the contract expires) you CANNOT exercise a Task Order Option if the base Contract is Expired."

HP Enterprise Serv's, LLC, B-405692, Dec. 14, 2011, 2012 CPD ¶ 13 at 3.

In light of these considerations, we conclude that, while GSA's issuance of the task order to SOSI was not, in and of itself, legally objectionable, the agency cannot properly exercise any of the options included under the task order. The practical effect of this limitation is that, while the RFQ contemplated issuance of a task order with a potential period of performance of three years, the task order issued to SOSI may only be performed for a period of one year. Similarly, the RFQ contemplated a

task order that had a base quantity of 24 linguists during each year of performance, and optional quantities of, respectively, 20, 15 and 13 additional linguists during the three years of performance. AR, exh. 6a, Mandatory Pricing Template. None of these optional quantities is available under the task order issued to SOSI. These limitations are of particular concern in light of the fact that the Air Force, not GSA, is the actual acquiring activity here, and there is no indication in the record that this truncated task order will meet the Air Force's actual requirements.

RECOMMENDATION

Ordinarily, we might be able to recommend that GSA reopen discussions and afford SOSI and the other vendors an opportunity to revise their quotations. However, because SOSI's underlying FSS contract has expired, it may not revise its quotation or be issued a new delivery order. Accordingly, we recommend that GSA terminate the task order issued to SOSI because it was based on providing linguists from a labor category that does not meet the requirements of the RFQ. We further recommend that the agency make a new source selection from among the remaining firms that is consistent with the discussion above. Finally, we recommend that the agency reimburse AllWorld the costs associated with filing and pursuing its protest, including reasonable attorneys' fees. The protester should submit its certified claim for costs, detailing the time expended and costs incurred, directly to the contracting agency within 60 days after receipt of this decision. 4 C.F.R. § 21.8(f)(1).

The protest is sustained.

Susan A. Poling
General Counsel



The Administrator

March 4, 2016

The Honorable John Barrasso
United States Senate
Washington, DC 20515

Dear Senator Barrasso:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office (GAO) final report entitled, *Federal Real Property: GSA Could Decrease Leasing Costs by Encouraging Competition and Reducing Unneeded Fees* (GAO-16-188). As a result of its findings, GAO recommended that the GSA Administrator take the following steps:

1. Fully explore strategies to enhance competition for GSA leases by encouraging tenant agencies to broaden their allowable geographic areas and to limit their specialized building requirements to those justifiably unique to the federal government.
2. Seek to reduce leasing costs for federal agencies by:
 - o Exploring, with relevant stakeholders, the possibility of loaning unobligated Federal Buildings Fund balances to agencies to cover tenant improvement costs that would otherwise have to be financed for new leases. If GSA finds that, with sufficient controls in place, tenant improvements can be safely funded this way, it should participate in the development of a legislative proposal to request that Congress make the necessary budget authority available.
 - o Allowing tenant agencies the option of choosing non-cancelable occupancy agreements with lower administrative costs, particularly for leases with firm terms of 5 years or less.

GSA reviewed this report in depth, and agrees with the first recommendation. GSA is in the process of revising its policies to increase areas of consideration in an effort to increase competition and reduce costs. GSA also agrees that efforts by agencies to limit specialized building requirements will enhance competition by expanding the available inventory of leased space that would meet Federal needs.

U.S. General Services Administration
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To reduce our dependency on extensions and other stay in place strategies that compromise our ability to maximize competition in our lease procurements, PBS is increasing national oversight and resourcing of planning, project management and procurement activities. This year we implemented a more aggressive, visible approach in planning for out-year expiring leases, and are currently developing a nationally consistent set of business processes and performance expectations. We have reduced the number of short term extensions and hold-overs by 32 percent and 51 percent, respectively, since 2010. This downward trend will continue as we implement stronger planning and requirements gathering protocols.

GSA partially agrees with the second recommendation and will explore the possibility of using the Federal Buildings Fund (FBF) balance to fund tenant improvements at a lower cost of capital to the Government. We are currently exploring authorities and opportunities within GSA's purview that could allow use of the fund balance to fund tenant improvements and move costs, including the implications to budget scoring of GSA's appropriations. Once we have concluded this discovery process, we will make a proposal to the Office of Management and Budget.

However, GSA does not agree with allowing tenant agencies the option of unilaterally choosing non-cancelable occupancy agreements. GSA and the FBF were established to manage financial risk and place controls on the consumption of space in the portfolio. The flexibility for agencies to return un-needed space is critical to managing GSA's entire portfolio, particularly in implementing Reduce the Footprint and agency space consolidation initiatives. GSA makes the determination to classify an occupancy agreement non-cancelable based on risk and GSA's ability to backfill space as the Government would be required to continue paying the lessor for the remainder of the lease term if the tenant agency decides to vacate the space and no backfill can be found.

If you have any additional questions or concerns, please do not hesitate to contact me at (202) 501-0800, or Ms. Lisa A. Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,



Denise Turner Roth
Administrator

cc: The Honorable Gene L. Dodaro, Comptroller General, GAO
Mr. David Wise, Director, Physical Infrastructure, GAO
Mr. Dave Sausville, Assistant Director, Physical Infrastructure, GAO
The Honorable Shaun Donovan, Director, Office of Management and Budget
The Honorable Ron Johnson, Chairman, Senate Committee on
Homeland Security and Governmental Affairs
The Honorable Thomas R. Carper, Ranking Member, Senate Committee on
Homeland Security and Government Affairs
The Honorable Jason Chaffetz, Chair, House Committee on Oversight and
Government Reform
The Honorable Elijah Cummings, Ranking Member, House Committee on
Oversight and Government Reform



The Administrator

March 4, 2016

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
Washington, DC 20548

Dear Mr. Dodaro:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office (GAO) draft report entitled, *Federal Real Property: GSA Could Better Identify Risks of Unforeseen Conditions in Repair and Alteration Projects* (GAO-16-273). As a result of its findings, GAO makes one recommendation to GSA:

To improve risk assessments for repair and alteration projects, GAO recommends that the Administrator of GSA develop and implement a plan to periodically analyze information GSA already collects, for example, based on a representative sample of repair and alterations projects, in order to:

- Identify the specific impacts these conditions have had on project costs, schedules, and scope of work,
- Analyze the causes of these conditions for those projects that experienced unforeseen site conditions, and
- Identify actions that will be taken to address the potential causes of unforeseen site conditions.

GSA reviewed this report, agrees with the recommendation, and will develop a plan to address the recommendation made to GSA. GSA is confident that these actions will satisfactorily remedy the concerns raised by your office.

If you have any additional questions or concerns, please contact me at (202) 501-0800 or Ms. Lisa A. Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,

A handwritten signature in blue ink that reads "Denise T. Roth".

Denise Turner Roth
Administrator

cc: Mr. David Wise, Director, Physical Infrastructure Issues, GAO

U.S. General Services Administration
1800 F Street, NW
Washington, DC 20405
Telephone: (202) 501-0800
Fax: (202) 219-1243

U.S. General Services Administration
Technical Comments
GAO Draft Report Entitled, *Federal Real Property: GSA Could Better Identify*
Risks of Unforeseen Conditions in Repair and Alteration Projects
(GAO-16-273)

Comment #1

GAO Language: Page 3, Footnote 9; Page 28, Footnote 47; and Page 30, Footnote 50: regarding the comments questioning if Moynihan had a Prospectus.

GSA Comments: Since responding to the Statement of Facts, ODC verified that the Moynihan project had a Prospectus. The prospectus was not funded, but GSA reprogrammed monies to do the project - one request to undertake the space build-out and another to do the pavilion. Prospectus Number: PNY-0351-NY11
Date Signed: May 13, 2010

Comment #2

GAO Language: Page 5, Line 2: Regarding the comment that, "approximately half of this [nation's listing of historic properties] is more than 50 years old".

GSA Comments: Generally, buildings need to be 50 years or older to be nominated to the National Register although they can be nominated if they are less than 50 for exceptional significance. The average age of GSA's historic inventory is 91 years old--1925 being the average construction date. Using 1965 as the cut-off date for 50 years old, GSA has 18 under 50-year-old buildings that are historic (dates range from 1966-1978) or 96 percent of GSA's 482 historic buildings are over 50 years old.



The Administrator

March 11, 2016

The Honorable Bennie G. Thompson
Ranking Member, Committee on Homeland Security
House of Representatives
Washington, DC 20515

Dear Ranking Member Thompson:

The U.S. General Services Administration (GSA) appreciates the opportunity to respond to the U.S. Government Accountability Office (GAO) final report entitled, *Homeland Security: FPS and GSA Should Strengthen Collaboration to Enhance Facility Security* (GAO-16-135). As a result, GAO issued 4 (four) recommendations to GSA. GAO recommends that the Administrator of GSA, in coordination with the U.S. Department of Homeland Security (DHS) - Federal Protective Service (FPS), take the following actions:

- FPS and GSA headquarters officials should establish a plan with timeframes for reaching agreement on a joint strategy and finalizing it in order to define and articulate a common understanding of expected outcomes and align the two agencies' activities and core processes to achieve their related missions.
- FPS and GSA headquarters officials should establish a plan with timeframes for reaching agreement on the two agencies' respective roles and responsibilities for Federal facility security, and update and finalize the two agencies' MOA accordingly.
- FPS and GSA headquarters officials should develop a process to ensure that compatible policies and procedures, including those for information sharing, are communicated at the regional level so that regional officials at both agencies have common information on how to operationalize the two agencies' collaborative efforts.
- FPS and GSA headquarters officials should develop mechanisms to monitor, evaluate, and report on their collaborative efforts to protect Federal facilities in order to identify possible areas for improvement and to reinforce accountability.

For recommendation #1, GSA will continue to work collaboratively with FPS toward the completion of the following documents: The Control Systems Cybersecurity Strategy for Federal Facilities (Completion target date of March 2016); an update to the Government Facilities Sector Plan (Completion target date of April 2016); and the Joint Strategy for Federal Security (Completion target date of August 2017). These referenced documents are well underway and provide the foundation for continuously improving the collaboration of GSA and FPS.

For recommendation #2, GSA will continue to work closely with FPS to update the MOA, and the target completion date is June 2016.

For recommendation #3, in addition to the MOA referenced above, GSA and FPS will develop field guidance that identifies expectations for regional staff to operationalize collaborative activities (Target completion date of November 2016).

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For the last recommendation, in addition to accountability oversight that is being discussed as part of the MOA, GSA and FPS will work collaboratively to reinstitute a liaison program that will include a quarterly review of ongoing collaboration efforts and inter-agency initiatives (Target completion date for the liaison program is November 2016).

If you have any questions, please contact me or Ms. Lisa A. Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,



Denise Turner Roth
Administrator

Enclosure

cc: The Honorable Gene L. Dodaro, Comptroller General, GAO
Ms. Lori Rectanus, Director, Physical Infrastructure Issues
The Honorable Shaun Donovan, Director, Office of Management and Budget
The Honorable Jason Chaffetz, Chair, Committee on Oversight and
Government Reform
The Honorable Ron Johnson, Chair, Committee on Homeland Security and
Governmental Affairs
The Honorable Thomas R. Carper, Ranking Member, Committee on Homeland
Security and Governmental Affairs
The Honorable Elijah Cummings, Ranking Member, Committee on Oversight and
Government Reform

U.S. General Services Administration
GAO Final Report, *Homeland Security: FPS and GSA Should Strengthen Collaboration to Enhance Facility Security* (GAO-16-135)

Recommendation 1

FPS and GSA headquarters officials should establish a plan with timeframes for reaching agreement on a joint strategy and finalizing it in order to define and articulate a common understanding of expected outcomes and align the two agencies' activities and core processes to achieve their related missions.

Actions

GSA will continue to work collaboratively with FPS toward the completion of the following documents: The Control Systems Cybersecurity Strategy for Federal Facilities (Completion target date of March 2016); an update to the Government Facilities Sector Plan (Completion target date of April 2016); and the Joint Strategy for Federal Security (Completion target date of August 2017). These referenced documents are well underway and provide the foundation for continuously improving the collaboration of GSA and FPS.

Recommendation 2

FPS and GSA headquarters officials should establish a plan with timeframes for reaching agreement on the two agencies' respective roles and responsibilities for federal facility security, and update and finalize the two agencies' MOA accordingly.

Actions

GSA will continue to work closely with FPS to update the MOA, and the target completion date is June 2016.

Recommendation 3

FPS and GSA headquarters officials should develop a process to ensure that compatible policies and procedures, including those for information sharing, are communicated at the regional level so that regional officials at both agencies have common information on how to operationalize the two agencies' collaborative efforts.

Actions

In addition to the MOA referenced above, GSA and FPS will develop field guidance that identifies expectations for regional staff to operationalize collaborative activities (Target completion date of November 2016).

Recommendation 4

FPS and GSA headquarters officials should develop mechanisms to monitor, evaluate, and report on their collaborative efforts to protect federal facilities in order to identify possible areas for improvement and to reinforce accountability.

Actions

In addition to accountability oversight that is being discussed as part of the MOA, GSA and FPS will work collaboratively to reinstitute a liaison program that will include a quarterly review of ongoing collaboration efforts and inter-agency initiatives (Target completion date for the liaison program is November 2016).

In addition to the above, an identical letter will be sent to the following:

The Honorable Bennie G. Thompson
Ranking Member
Committee on Homeland Security



The Administrator

March 10, 2016

The Honorable Gene L. Dodaro
Comptroller General
United States Government Accountability Office
Washington, D.C. 20548

Dear Mr. Dodaro:

This letter provides the U.S. General Services Administration's (GSA) response to the Government Accountability Office (GAO) draft report entitled, *Federal Real Property: Improving Data Transparency and Expanding the National Strategy Could Help Address Long-standing Challenges* (GAO-16-275). The report recommends that GSA, in consultation with the Office of Management and Budget and federal agencies, take the following actions to improve the quality and transparency of data entered into the Federal Real Property Profile (FRPP):

- (1) Assess the reliability of FRPP data by determining how individual agencies collect and report FRPP data for each FRPP field, including any supplemental guidance used by agencies to comply with the government-wide FRPP data definitions as part of their annual certification of FRPP data;
- (2) Analyze the differences in collecting and reporting practices used by the agencies;
- (3) Identify, and make available to FRPP users, the limitations of using FRPP data in the context of how the data is intended to be used in real property decision making and to measure real property performance across agencies, and update federal guidance to address limitations, as needed;

GSA partially agrees with the above recommendations and will take action to implement the recommendations, as detailed below.

To implement GAO's recommendations, GSA will initiate further discussion within the Federal Real Property Council (FRPC) that focuses on how individual agencies collect and report FRPP data for each of its data fields. GSA will ask the agencies that comprise the FRPC to provide GSA with copies of any supplemental guidance that is used to comply with the government-wide FRPP data definitions. This information will be helpful in identifying areas where data consistency among agencies could be improved; however, GSA does not have the resources to fully assess the methods agencies choose to collect or map their data to meet the FRPP's government-wide data definitions. Ultimately, it is the responsibility of each agency to ensure the reliability of its data and its compliance with FRPP reporting requirements.

GSA has already met with a number of agencies to review their current data validation and verification processes and is using the information gleaned from these discussions to draft the forthcoming FRPP Data Validation and Verification Guidance and tools. GSA will continue to review each agency's annual FRPP letter of certification, in addition to their Annual Real Property Efficiency Plans that are required under the Reduce the Footprint policy. These plans include a section on FRPP Data Quality Improvements. GSA will make note of the differences in collecting and reporting practices used by the agencies, but recognizes that the FRPP, as it is

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currently designed, is best used as a tool for agencies to assess and make management level real property decisions regarding their unique inventories.

GSA has recently undertaken and continues to invest in several initiatives to improve data accuracy in the FRPP and to provide enhanced tools that support data driven decision-making. These include:

- Automated Data Validation and Verification Tools in FRPP
- Address Validation Assessment
- FRPP Certification by Agencies' Chief Financial Officer
- Improvements and clarifications to specific data elements in the Annual Guidance for Inventory Reporting
- Migration to a new system platform that provides greater automated tools for data analysis and data validation, such as the Real Property Management Tool and forthcoming Asset Consolidation Tool
- FRPP Data Validation and Verification Guidance

The agencies are well aware of the uniqueness of their individual missions and how those differences often result in data that is difficult to use for cross agency decision making. Real Property Performance Metrics are being gathered under the President's Management Agenda; however, due to the variety of protocols followed by agencies in reporting, it is difficult to accurately measure progress across agencies. GSA does believe that the data reported to the FRPP supports agencies' individual asset level decision-making. Individual agencies maintain their own asset management systems to assist them, based on their mission requirements, to make individual asset level decisions.

Thank you for the clarity and thoroughness of this draft report. If you have any additional questions or concerns, please do not hesitate to contact me at (202) 501-0800 or Ms. Lisa Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563. Staff inquiries may be directed to Ms. Aluanda Drain, Director, Real Property Policy Division. Ms. Drain can be reached at (202) 501-1624.

Sincerely,



Denise Turner Roth
Administrator

Cc: Mr. David Wise, Director, Physical Infrastructure Issues, GAO



The Administrator

February 17, 2016

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
Washington, DC 20548

Dear Mr. Dodaro:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability (GAO) draft report entitled, *Data Center Consolidation: Agencies Making Progress, but Planned Savings Goals Need to Be Established* (GAO-16-323).

GSA agrees with the draft report, and acknowledges that improvements are necessary to meet the data center optimization targets. In the last two quarters, we have taken a more aggressive approach to closing data centers by focusing on the infrastructure in three of our regional offices, including Kansas City, Philadelphia, and New York City. We will continue this work through the remainder of the fiscal year and expect those efforts will improve our data center optimization targets.

GSA continues to pursue operational improvements to better serve the American people and plans to implement the recommendations in this report. If you have any additional questions or concerns, please do not hesitate to contact me at the number below or Ms. Lisa A. Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,

A handwritten signature in blue ink that reads "Denise T. Roth".

Denise Turner Roth
Administrator

cc: Mr. David A. Powner, Director, Information Technology Management Issues, GAO

U.S. General Services Administration
1800 F Street, NW
Washington, DC 20405
Telephone: (202) 501-0800
Fax: (202) 219-1243



The Administrator

May 2, 2016

The Honorable John McCain
Chairman
Committee on Armed Services
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office (GAO) final report entitled, *Data Center Consolidation Agencies Making Progress, but Planned Savings Goals Need to Be Established* (GAO-16-323).

Data center consolidation remains a significant priority for our agency. GSA has closed 98 data centers since 2012, creating nearly \$17 million in cost savings and avoidance. However, as GAO notes, GSA must improve its efforts to hit its targets for data center optimization. We have reviewed this report in depth, agree with the recommendation, and have developed a comprehensive plan to address the recommendation made to GSA. The enclosure sets forth the specific actions that GSA will take in response to the recommendation that will satisfactorily remedy the concerns raised by GAO. I want you to know that I consider this report, as well as the others we at GSA receive from GAO, to be a very useful tool to assist in our pursuit of continuous improvement in GSA operations to better serve the American people.

If you have any questions or concerns, please do not hesitate to contact me at (202) 501-0800 or Ms. Lisa Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,

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Denise Turner Roth
Administrator

Enclosure

cc: The Honorable Gene L. Dodaro, Comptroller General, GAO
Mr. David Powner, Director, Information Technology Management Issues

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The Honorable Ron Johnson, Chairman, Senate Committee on Homeland Security
and Governmental Affairs
The Honorable Thomas R. Carper, Ranking Member, Senate Committee on
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The Honorable Adam Smith, Ranking Member, House Armed Services Committee
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Government Reform
The Honorable Elijah Cummings, Ranking Member, House Committee on
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**U.S. General Services Administration's
Actions Planned to Address the Recommendations in the
GAO Final Report: *Data Center Consolidation: Agencies Making
Progress, but Planned Savings Goals Need to Be Established* (GAO-16-323)**

In order to streamline GSA's data center consolidations and improve performance, GSA has taken a number of steps which will serve the above objectives.

Recommendation 1: GAO recommends GSA take action to improve progress in the data center optimization areas that we reported as not meeting OMB's established targets, including addressing any identified challenges.

Action 1: GSA will create a new inventory of our data centers in order to establish a new baseline which will help in planning for data center closures as well as collecting more accurate data for cost saving calculations. GSA will refresh our inventory semi-annually to meet the requirements of this action plan.

Report: Semi Annually

Action 2: GSA will create a new and better cost saving model, in order to be able to calculate and project a more realistic cost saving and replace the old Total Cost of Ownership. GSA will refresh our cost model semi-annually to meet the requirements of this action plan.

Report: Semi Annually

Action 3: As GSA continues its effort in data center closures, GSA will improve the required metrics set forth by OMB by eliminating physical machines and increasing virtualization whenever we can. GSA is committed to increase virtualization by 5 percent every year. GSA will refresh our metrics targets semi-annually to meet the requirements of this action plan.



The Administrator

May 2, 2016

The Honorable Jack Reed
Ranking Member
Committee on Armed Services
United States Senate
Washington, D.C. 20510

Dear Senator Reed:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office (GAO) final report entitled, *Data Center Consolidation Agencies Making Progress, but Planned Savings Goals Need to Be Established* (GAO-16-323).

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If you have any questions or concerns, please do not hesitate to contact me at (202) 501-0800 or Ms. Lisa Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,

A handwritten signature in blue ink that reads "Denise T. Roth".

Denise Turner Roth
Administrator

Enclosure

cc: The Honorable Gene L. Dodaro, Comptroller General, GAO
Mr. David Powner, Director, Information Technology Management Issues

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The Honorable Elijah Cummings, Ranking Member, House Committee on
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The Administrator

May 2, 2016

The Honorable Mac Thornberry
Chairman
Committee on Armed Services
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

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If you have any questions or concerns, please do not hesitate to contact me at (202) 501-0800 or Ms. Lisa Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,

A handwritten signature in blue ink that reads "Denise T. Roth".

Denise Turner Roth
Administrator

Enclosure

cc: The Honorable Gene L. Dodaro, Comptroller General, GAO
Mr. David Powner, Director, Information Technology Management Issues
The Honorable Shaun Donovan, Director, Office of Management and Budget

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**U.S. General Services Administration's
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The Administrator

May 2, 2016

The Honorable Adam Smith
Ranking Member
House Committee on Armed Services
House of Representatives
Washington, D.C. 20515

Dear Representative Smith:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office (GAO) final report entitled, *Data Center Consolidation Agencies Making Progress, but Planned Savings Goals Need to Be Established* (GAO-16-323).

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If you have any questions or concerns, please do not hesitate to contact me at (202) 501-0800 or Ms. Lisa Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,

A handwritten signature in blue ink that reads "Denise T. Roth".

Denise Turner Roth
Administrator

Enclosure

cc: The Honorable Gene L. Dodaro, Comptroller General, GAO
Mr. David Powner, Director, Information Technology Management Issues
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The Administrator

May 2, 2016

The Honorable Jason Chaffetz
Chairman
House Committee on Oversight and
Government Reform
House of Representatives
Washington, DC 20515

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A handwritten signature in blue ink that reads "Denise T. Roth".

Denise Turner Roth
Administrator

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The Administrator

May 2, 2016

The Honorable Elijah Cummings
Ranking Member
House Committee on Oversight
and Government Reform
House of Representatives
Washington, D.C. 20515

Dear Representative Cummings:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office (GAO) final report entitled, *Data Center Consolidation Agencies Making Progress, but Planned Savings Goals Need to Be Established* (GAO-16-323).

Data center consolidation remains a significant priority for our agency. GSA has closed 98 data centers since 2012, creating nearly \$17 million in cost savings and avoidance. However, as GAO notes, GSA must improve its efforts to hit its targets for data center optimization. We have reviewed this report in depth, agree with the recommendation, and have developed a comprehensive plan to address the recommendation made to GSA. The enclosure sets forth the specific actions that GSA will take in response to the recommendation that will satisfactorily remedy the concerns raised by GAO. I want you to know that I consider this report, as well as the others we at GSA receive from GAO, to be a very useful tool to assist in our pursuit of continuous improvement in GSA operations to better serve the American people.

If you have any questions or concerns, please do not hesitate to contact me at (202) 501-0800 or Ms. Lisa Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,

A handwritten signature in blue ink that reads "Denise T. Roth".

Denise Turner Roth
Administrator

Enclosure

cc: The Honorable Gene L. Dodaro, Comptroller General, GAO

1800 F Street, NW
Washington, DC 20405-0002
www.gsa.gov

Mr. David Powner, Director, Information Technology Management Issues
The Honorable Shaun Donovan, Director, Office of Management and Budget
The Honorable John McCain, Chairman, Senate Armed Services Committee
The Honorable Jack Reed, Ranking Member, Senate Armed Services Committee
The Honorable Ron Johnson, Chairman, Senate Committee on Homeland
Security and Governmental Affairs
The Honorable Thomas R. Carper, Ranking Member, Senate Committee on
Homeland Security and Governmental Affairs
The Honorable Mac Thornberry, Chairman, House Armed Services Committee
The Honorable Adam Smith, Ranking Member, House Armed Services Committee
The Honorable Jason Chaffetz, Chair, House Committee on Oversight and
Government Reform

**U.S. General Services Administration's
Actions Planned to Address the Recommendations in the
GAO Final Report: *Data Center Consolidation: Agencies Making
Progress, but Planned Savings Goals Need to Be Established* (GAO-16-323)**

In order to streamline GSA's data center consolidations and improve performance, GSA has taken a number of steps which will serve the above objectives.

Recommendation 1: GAO recommends GSA take action to improve progress in the data center optimization areas that we reported as not meeting OMB's established targets, including addressing any identified challenges.

Action 1: GSA will create a new inventory of our data centers in order to establish a new baseline which will help in planning for data center closures as well as collecting more accurate data for cost saving calculations. GSA will refresh our inventory semi-annually to meet the requirements of this action plan.

Report: Semi Annually

Action 2: GSA will create a new and better cost saving model, in order to be able to calculate and project a more realistic cost saving and replace the old Total Cost of Ownership. GSA will refresh our cost model semi-annually to meet the requirements of this action plan.

Report: Semi Annually

Action 3: As GSA continues its effort in data center closures, GSA will improve the required metrics set forth by OMB by eliminating physical machines and increasing virtualization whenever we can. GSA is committed to increase virtualization by 5 percent every year. GSA will refresh our metrics targets semi-annually to meet the requirements of this action plan.



The Administrator

May 2, 2016

The Honorable Thomas R. Carper
Ranking Member
Homeland Security and
Governmental Affairs
United States Senate
Washington, D.C. 20510

Dear Senator Carper:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office (GAO) final report entitled, *Data Center Consolidation Agencies Making Progress, but Planned Savings Goals Need to Be Established* (GAO-16-323).

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Sincerely,

A handwritten signature in blue ink that reads "Denise T. Roth".

Denise Turner Roth
Administrator

Enclosure

cc: The Honorable Gene L. Dodaro, Comptroller General, GAO
Mr. David Powner, Director, Information Technology Management Issues
The Honorable Shaun Donovan, Director, Office of Management and Budget

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The Honorable John McCain, Chairman, Senate Armed Services Committee
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The Administrator

May 2, 2016

The Honorable Ron Johnson
Chairman
Homeland Security and
Governmental Affairs
United States Senate
Washington, D.C. 20510

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Sincerely,

A handwritten signature in blue ink that reads "Denise T. Roth".

Denise Turner Roth
Administrator

Enclosure

cc: The Honorable Gene L. Dodaro, Comptroller General, GAO

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Mr. David Powner, Director, Information Technology Management Issues
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The Administrator

November 8, 2016

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
Washington, DC 20548

Dear Mr. Dodaro:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office (GAO) For Official Use Only draft report entitled *Federal Real Property: GSA Should Identify Foreign Owners of High-Security Leased Space and Inform Tenants* (GAO-17-21SU). As a result of its findings, GAO made one recommendation to GSA:

GAO recommends that GSA determine whether the beneficial owner of high security leased space is a foreign entity and, if so, share that information with the tenant agencies for any needed security mitigation.

GSA has reviewed the draft report and agrees with the recommendation for agency action.

If you have any additional questions or concerns, please contact me at (202) 501-0800 or Ms. Lisa A. Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,

A handwritten signature in blue ink that reads "Denise T. Roth".

Denise Turner Roth
Administrator

cc: Mr. David Wise, Director, Physical Infrastructure Issues

1800 F Street, NW
Washington, DC 20405-0002
www.gsa.gov



The Administrator

March 29, 2017

The Honorable Mark Meadows
Chairman
Subcommittee on Government Operations
Committee on Oversight and
Government Reform
House of Representatives
Washington, DC 20515

The Honorable Charles E. Grassley
Chairman
Committee on the Judiciary
United States Senate
Washington, DC 20510

Dear Chairmen:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office's (GAO) report entitled *Government Purchase Cards: Little Evidence of Potential Fraud Found in Small Purchases, but Documentation Issues Exist* (GAO-17-276).

GAO recommends that the Administrator of General Services direct its Center for Charge Card Management to provide guidance to agency purchase card managers reemphasizing the need to obtain and retain complete documentation in support of purchase card transactions, per Office of Management and Budget specifications.

GSA reviewed the report, agrees with the recommendation, and has developed a plan to address the recommendation (enclosed).

GSA is pleased that the audit recognizes the significant work the agency and those organizations who participate in the GSA SmartPay® charge card programs have done to improve administration and oversight. This partnership will continue to include ongoing training and awareness campaigns.

If you have any questions, please contact me at (202) 501-0800 or Mr. Thomas Sharpe, Commissioner of the Federal Acquisition Service, at (703) 605-5400.

Sincerely,



Timothy O. Horne
Acting Administrator

Enclosure

cc: The Honorable Gene L. Dodaro, Comptroller General, GAO
Mr. Phillip Reiff, Assistant Director, Forensic Audits and Investigative Service,
GAO
The Honorable Mick Mulvaney, Director, Office of Management and Budget
The Honorable Jason Chaffetz, Chairman, Committee on Oversight and
Government Reform

U.S. General Services Administration
Actions Planned to Address the Recommendation in GAO's Final Report-
Government Purchase Cards: Little Evidence of Potential Fraud Found in Small
Purchases, but Documentation Issues Exist (GAO-17-276)

Recommendation:

GAO recommends that the Administrator of General Services direct the head of the Center for Charge Card Management to provide guidance to agency purchase card managers reemphasizing the need to obtain and retain complete documentation in support of purchase card transactions, per Office of Management and Budget (OMB) specifications.

Actions:

GSA has completed or will take the following actions:

- On March 1, 2017, the Director of the Center for Charge Card Management reemphasized proper purchase card documentation during a standing monthly conference call with agency card managers, referencing the GAO-17-276 finding.
- Not later than March 31, 2017, GSA's Center for Charge Card Management will publish a *Smart Bulletin* reemphasizing that review and approval documentation in support of purchase card transactions needs to be both obtained and retained in accordance with applicable agency record retention requirements and OMB specifications.
- Not later than March 31, 2017, GSA's Center for Charge Card Management will modify its online training material for purchase card holders and agency purchase card managers, further emphasizing that complete documentation needs to be both obtained and retained, per relevant agency and OMB's specifications.
- On April 20, 2017, proper purchase card documentation practices will again be reemphasized during the Center for Charge Card Management's regular quarterly meeting with agency card managers.



The Administrator

March 27, 2017

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
Washington, DC 20548

Dear Mr. Dodaro:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U. S. Government Accountability Office (GAO) draft report entitled *Data Center Optimization: Agencies Need to Complete Plans to Address Inconsistencies in Reported Savings* (GAO-17-388).

GAO recommends that the Administrator of GSA take action to:

1. Complete the missing elements in GSA's DCOI (Data Center Optimization Initiative) strategic plan, including addressing any identified challenges, and submit its completed strategic plan to OMB [Office of Management and Budget]; and
2. Ensure that the amounts of achieved data center cost savings and avoidances are consistent across all reporting mechanisms, including the quarterly data submissions and DCOI strategic plans.

GSA agrees with the findings and recommendations. GSA has already updated its DCOI Strategic Plan to complete all missing elements. GSA posted the revised DCOI Strategic Plan on the agency's Digital Strategy web page.

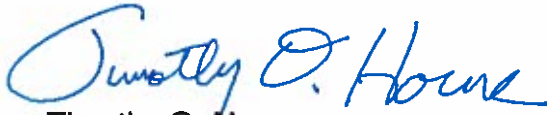
For the second recommendation, GSA will take the following actions:

- (a) To better understand inconsistencies in OMB's cost model guidance, GSA will conduct a variance analysis of the data center cost savings between what is reported in the DCOI Strategic Plan and the February 28, 2017, Integrated Data Call (IDC) submission; and
- (b) GSA will determine the most accurate representation of realized savings and, in consultation with GSA's OMB Desk Officer, adjust the DCOI Strategic plan and IDC accordingly, making corrections in prior year projections and actual savings, as appropriate.

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If you have any additional questions or concerns, please contact me at (202) 501-0800 or Mr. Saul Japson, Acting Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563. Staff inquiries may be directed to Mr. Michael Harris at (703) 605-9376 or michael.harris@gsa.gov.

Sincerely,



Timothy O. Horne
Acting Administrator

cc: Mr. David A. Powner, Director, Information Technology Management Issues, GAO



The Administrator

August 11, 2016

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
Washington, DC 20548

Dear Mr. Dodaro:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office (GAO) draft report entitled, *Earthquakes: Additional Actions Needed to Identify and Mitigate Risks to Federal Buildings and Implement an Early Warning System*; (GAO-16-680). As a result of its findings, GAO plans to make two recommendations to GSA:

To strengthen efforts to mitigate earthquake risks to federal buildings, we recommend that the Secretary of Defense and the Administrator of GSA take the following actions:

1. Define what constitutes an exceptionally high-risk building, identify such buildings, and develop plans to mitigate those risks, including prioritizing associated funding requests as needed.
2. To the extent practicable, prioritize and implement comprehensive seismic safety measures which could include earthquake drills, seismic safety inspections, and non-structural retrofits to decrease risks and reduce damage in Federally-owned and -leased buildings in earthquake hazard areas.

GSA agrees with the overall nature of GAO's proposed findings, but has concerns with several areas mentioned. Based on the enclosed comments, GSA requests that further actions be considered to reflect the accomplishments and steps taken by GSA regarding this matter. If you have any additional questions or concerns, please contact me at (202) 501-0800 or Ms. Lisa A. Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,

A handwritten signature in blue ink that reads "Denise T. Roth".

Denise Turner Roth
Administrator

cc: Mr. Chris Currie, Director, Homeland Security and Justice, GAO
Mr. David Wise, Director, Physical Infrastructure Issues, GAO

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**U.S. General Services Administration
Technical Comments
GAO Draft Report Entitled, *Earthquakes: Additional Actions Needed to Identify
and Mitigate Risks to Federal Buildings and Implement an Early Warning System*
(GAO-16-680)**

Draft Revision (Comments Partially Addressed)

GAO Language: (Page 1, Line 6): DOD and GSA identified their EHR buildings as part of a government-wide effort in the 1990's, and GSA has begun taking initial steps to identify its current EHR buildings.

GSA Comments: GSA believes it is important to highlight the progress GSA has made to identify its EHR buildings and prioritize building seismic risk. Within the Seismic Rating Report (SRR), dated March 31, 2016, GSA developed a methodology for defining EHRs, tested the methodology and developed a partial list of prioritized EHRs.

GAO Language: (Page 1, Line 33): "What GAO Recommends" - GAO recommends that DOD and GSA (1) fully identify their exceptionally high-risk buildings; (2) prioritize and implement comprehensive seismic safety measures to mitigate earthquake risks; and (3) that USGS develop a program management plan to address, among other things, ShakeAlert implementation challenges.

GSA Comments: Page 48-49 "Recommendations for Executive Action" should be updated to reflect the changes from Page 1 "What GAO Recommends."

GAO Language: (Page 3, Line 5): Table 4: GSA adopted a definition of EHR based on its engineering consultant's Seismic Rating Report, completed on March 31, 2016. Based on this report, GSA has begun training staff in the process used to calculate a seismic risk rating, which is used to determine if a building is EHR. Of GSA's federally-owned inventory, its consultant's calculation report identified eight EHR buildings among the 63 buildings for which a seismic risk rating is necessary. GSA is in the process of hiring a contractor to evaluate and develop seismic risk ratings for additional Federally-owned buildings located in high-seismic areas to determine which of these are EHR. GSA plans to complete this work by July 2017.

GSA Comments: GSA has calculated a seismic risk rating for 71 buildings, not 63.

GAO Language: (Page 6, Line 13): Until they fully identify their exceptionally high-risk buildings, DOD and GSA will be unable to understand fully the most significant

earthquake risks affecting buildings for which they are responsible and develop a plan to reduce those risks—in accordance with RP 8—which could inform prioritizing funding requests for mitigations such as retrofits.

GSA Comments: GSA disagrees and believes this statement does not acknowledge the work GSA has completed to date. Through the development of its Seismic Risk Rating system, GSA has developed an understanding of the most significant earthquake risks affecting buildings in its real property inventory.

**Original Draft Audit Report
(Comments not addressed after July 26, 2016, Draft Report Meeting)**

GAO Language: (Page 18, Line 3): Seismic Loss Estimation: To aid seismic hazard mitigation planning, loss estimating tools such as FEMA's HAZUS program can be used to determine areas of vulnerability and to help prioritize mitigations that address these vulnerabilities. HAZUS estimates losses from potential hazards, including earthquakes, and quantifies these losses regarding potential fatalities, injuries, direct property loss and damage, and indirect economic loss for a certain event scenario or over time (annualized loss).

GSA Comments: As stated in the July 26, meeting, GSA is using FEMA's HAZUS methodology to identify and prioritize buildings.

GAO Language: (Page 18, Line 25): Building Inventory: Having an inventory of buildings that includes information such as their location, type of occupancy and building construction, age, and mitigation needs is crucial for determining their exposure to seismic risks and prioritizing mitigations.

GSA Comments: The GSA's SRR Report (dated March 31, 2016) includes all of this information (location, type of occupancy and building construction, age, and structural deficiencies) except for information regarding non-structural deficiencies (e.g. furniture bracing).

GAO Language: (Page 32, Line 14): Non-structural Retrofits. Further, RP 8 references FEMA guidance that can be used to obtain information on the relative risks and appropriate mitigation techniques posed by nonstructural building components.

GSA Comments: The referenced FEMA guidance is a citation included in the commentary of RP 8. American Society Civil Engineers (ASCE) codes are the mandated requirements in RP 8.



The Administrator

MAY 13 2016

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
Washington, DC 20548

Dear Mr. Dodaro:

Thank you for the opportunity to review and comment on the draft U.S. Government Accountability Office (GAO) report: *Managing for Results – Agencies Need to Fully Identify and Report Major Management Challenges and Actions to Resolve them in their Agency Performance Plans* (GAO-16-510).

The U.S. General Services Administration (GSA) concurs with the GAO recommendation that GSA should describe the major management challenges and relevant performance goals, measures, and milestones as part of GSA's agency performance plan. In addition, GSA will identify an agency official responsible for resolving each of its major management challenges.

The Office of the Chief Financial Officer will work with our business lines to ensure that major management challenges are addressed in our Annual Performance Plan and Report as well as our annual strategic review.

If you have any questions, please contact me at (202) 501-0800 or Ms. Lisa A. Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,

A handwritten signature in blue ink that reads "Denise T. Roth".

Denise Turner Roth
Administrator

cc: Ms. Lisa Pearson, Assistant Director, GAO



The Administrator

December 22, 2015

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
Washington, DC 20548

Dear Mr. Dodaro:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office's (GAO) draft report entitled, *Federally Leased Vehicles: Agencies Should Strengthen Assessment Processes to Reduce Underutilized Vehicles* (GAO-16-136). GAO recommends:

- To help improve the accuracy of Drive-thru data to allow agencies to better manage their leased vehicle fleet data, the Administrator of GSA evaluate the 9,999-mile/month electronic safeguard for Drive-thru odometer readings to determine if a lower threshold could improve the accuracy of customer data and adjust it accordingly.
- To provide better assurance that Fleet Service Representatives (FSRs) are having conversations with the leasing customers about utilization in accordance with GSA expectations, the Administrator of GSA develop a mechanism to help ensure that these conversations occur.
- To help strengthen the leased vehicle justification processes across federal agencies, the Administrator of GSA examine the FPMR to determine if the regulations should be amended to require that vehicle justifications are clearly documented and readily available, and adjust them accordingly.

GSA has reviewed this draft report in depth, agrees with the recommendations, and is developing a comprehensive plan to address the recommendations made to GSA. GSA is confident that these actions will satisfactorily remedy the concerns raised by GAO.

U.S. General Services Administration
1800 F Street, NW
Washington, DC 20405
Telephone: (202) 501-0800
Fax: (202) 219-1243

If you have any questions, please contact me at (202) 501-0800 or Ms. Lisa A. Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,

A handwritten signature in blue ink that reads "Denise T. Roth". The signature is fluid and cursive, with the first name "Denise" being larger and more prominent than the last name "Roth".

Denise Turner Roth
Administrator

Cc: Ms. Lori Rectanus, Director, Physical Infrastructure Issues, GAO



The Administrator

December 7, 2015

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
Washington, DC 20548

Dear Mr. Dodaro:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office (GAO) draft report entitled, *Critical Infrastructure Protection: Measures Needed to Assess Agencies' Promotion of the NIST Cybersecurity Framework* (GAO-16-152). In this draft report, GAO recommends that GSA, in coordination with the Department of Homeland Security (DHS), take the following action:

- Set a time frame for determining the need for sector-specific guidance to implement the framework in the government facilities sector.

GSA agrees with the recommendation. GSA and DHS, through the Government Coordinating Council (GCC), have been promoting the NIST Cybersecurity Framework since the release of this guidance. A request for information (RFI) was sent to the GCC to determine the need for the development of additional sector-specific implementation guidance. GSA and DHS will finalize the Government Facilities Sector-Specific Plan by January 1, 2016. Lastly, GSA and DHS have scheduled a GCC meeting for January 12, 2016, to discuss and socialize the NIST Cybersecurity updates and the results of the RFI to determine if additional sector-specific implementation guidance is needed.

GSA is confident that these actions will satisfactorily remedy the concern raised by the GAO. If you have questions, please contact me at (202) 501-0800 or Ms. Lisa A. Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,

A handwritten signature in blue ink that reads "Denise T. Roth".

Denise Turner Roth
Administrator

Cc: Mr. Gregory C. Wilshusen, Director, Information Security Issues, GAO

U.S. General Services Administration
1800 F Street, NW
Washington, DC 20405
Telephone: (202) 501-0800
Fax: (202) 219-1243



The Administrator

June 8, 2016

The Honorable Thomas R. Carper
Ranking Member, Committee on Homeland
Security and Governmental Affairs
United States Senate
Washington, DC 20510

Dear Senator Carper:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the final report entitled, *Federal Real Property: Improving Data Transparency and Expanding the National Strategy Could Help Address Long-standing Challenges* (GAO-16-275). The U.S. Government Accountability Office (GAO) recommends that GSA, in consultation with the Office of Management and Budget (OMB) and federal agencies, take the following actions to improve the quality and transparency of data entered into the Federal Real Property Profile (FRPP):

- a) Assess the reliability of FRPP data by determining how individual agencies collect and report FRPP data for each FRPP field, including any supplemental guidance used by agencies to comply with the government-wide FRPP data definitions as part of their annual certification of FRPP data;
- b) Analyze the differences in collecting and reporting practices used by the agencies; and
- c) Identify, and make available to FRPP users, the limitations of using FRPP data in the context of how the data is intended to be used in real property decision making and to measure real property performance across agencies, and update federal guidance to address limitations, as needed.

GSA agrees in part to the findings and to the recommendation for GSA. Substantive comments to the findings and recommendation are provided below and within the enclosed document.

The continued improvements made to the FRPP have been key to enabling better analysis of inventory data to inform strategic portfolio management conversations with agencies on an ongoing basis with OMB and GSA. GSA

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requests the opportunity to brief your staff to provide a full discussion of all completed and ongoing actions by GSA on federal real property management.

In response to part "a" of the recommendation, GSA notes that it has limited resources to fully analyze and map agency data to the FRPP definitions, and that ultimately it is the responsibility of each agency to ensure the reliability of its data and its compliance with FRPP reporting requirements.

Nonetheless, in response to parts "a" and "b," GSA agrees that there is value in continuing a dialog with the Federal Real Property Council (FRPC) to identify the differences in how individual agencies collect and report FRPP data. In addition to the actions GSA outlined in its March 10, 2016, letter to GAO, GSA will take the following actions:

- Conduct a survey of the FRPP data fields that have been most frequently discussed and highlighted in GAO's reports: operating costs, lease costs, repair needs, replacement value, status, and utilization;
- Request copies of any supplemental guidance used by agencies to comply with the FRPP data definitions and reporting requirements; and
- Analyze the results of the survey and collaborate with the FRPC to develop specific recommendations, as warranted by the information collected in the survey, for changes to the annual guidance for real property inventory reporting or a new document outlining best practices for collecting and reporting the data elements included in the survey.

Regarding part "c" of the recommendation, GSA agrees that there are limitations on how FRPP data can presently be used, particularly in measuring performance across agencies. GSA will utilize the results of the survey to identify and then indicate the potential limitations of the data in the context of the tools GSA is developing to assist agency decision-making and to measure cross-agency performance.

It is important to emphasize that the FRPP was designed to provide an overview of the Federal inventory. FRPP data is collected once a year. Agencies maintain their own internal asset management systems for operational, asset-level decision-making. In light of this limitation, GSA is collaborating with OMB to identify opportunities to not only further analyze FRPP data but to utilize other information sources, such as onsite inspections, market studies and GSA-

maintained data, to better assist agencies in making portfolio-wide management decisions.

GSA has taken and continues to invest in initiatives to improve data accuracy in the FRPP and to provide tools that support data driven-decision making. These include:

- Conduct on-going FRPP data analytics to assist agencies in making individual portfolio management decisions.
- Migrated the FRPP database to a new agile information technology platform. This platform provides increased uptime availability of the system, reduced security threat vectors, and greater automated tools for data analysis and validation.
- Use of GSA's Integrated Data to Decisions (D2D) platform, which houses historic and current FRPP data in a data warehouse and brings multiple data analytics tools to bear on the government-wide FRPP data. This platform is not only beneficial to GSA and OMB, but it also enables each Federal agency to use the same tool set to analyze its own real property data.
- Launch of the Real Property Management Tool and the Asset Consolidation Tool, both of which are in the D2D environment and accessible by all FRPP reporting agencies to analyze their own real property data.
- Mandatory annual FRPP data certification by each agency's Chief Financial Officer.
- Improved and clarified specific data elements in the annual Guidance for Real Property Inventory Reporting.
- Mandatory FRPP data validation and verification checks required of each agency in 2016 and all subsequent years, per GSA Federal Real Property Data Validation and Verification Guidance.
- Developed automated data validation and verification tools in the FRPP database.
- Validated addresses to improve the accuracy of FRPP location data.

Some of these tools use FRPP data to identify opportunities, such as expiring leases, underutilized properties, and assets for colocation and consolidation, at the aggregate portfolio level. GSA believes Federal managers can effectively

use this information along with the new tools GSA has developed in agency strategic portfolio management.

If you have any additional questions or concerns, please contact me at (202) 501-0800 or Ms. Lisa A. Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,



Denise Turner Roth
Administrator

Enclosure

cc: The Honorable Gene L. Dodaro, Comptroller General, GAO
Mr. David Wise, Director, Physical Infrastructure, GAO
The Honorable Shaun Donovan, Director, Office of Management and Budget
The Honorable Jason Chaffetz, Chair, House Committee on Oversight and Government Reform
The Honorable Ron Johnson, Chair, Senate Committee on Homeland Security and Governmental Affairs
The Honorable Elijah Cummings, Ranking Member, House Committee on Oversight and Government Reform

U.S. General Services Administration
Actions Planned to Address the Recommendations in the
GAO Final Report, *Federal Real Property: Improving Data Transparency*
and Expanding the National Strategy Could Help Address Long-Standing
Challenges
(GAO-16-275)

Recommendation “a”

Assess the reliability of FRPP data by determining how individual agencies collect and report FRPP data for each FRPP field, including any supplemental guidance used by agencies to comply with the government-wide FRPP data definitions as part of their annual certification of FRPP data.

Action

GSA will develop and then conduct a survey to better understand the various methods agencies employ to collect and prepare data for submission to the Federal Real Property Profile database. The survey will be limited to the data elements that have been most frequently discussed and highlighted in GAO’s reports: operating costs, lease costs, repair needs, replacement value, status and utilization.

Prior to formal distribution of the survey, GSA will continue to consult with the FRPC to gain its input on the survey questions and scope. This collaboration will ensure a heightened awareness of the survey and emphasize the importance of gaining feedback from the agencies that will help GSA and the FRPC to achieve more accurate and consistent FRPP data.

GSA will also request copies of any supplemental guidance used by agencies to comply with the FRPP data definitions and reporting requirements.

Recommendation “b”

Analyze the differences in collecting and reporting practices used by the agencies.

Action

GSA will conduct an analysis of the survey results and share this information with OMB and the FRPC for further discussion and use in analyzing the differences in collecting and reporting practices used by the agencies. GSA will continue to analyze the results of the survey and supplemental materials provided by agencies and collaborate with the FRPC to develop specific recommendations, as warranted by the information collected in the survey, for changes to the annual guidance for real property inventory reporting or a new document outlining best practices for collecting and reporting the data elements included in the survey.

Recommendation “c” Identify, and make available to FRPP users, the limitations of using FRPP data in the context of how the data is intended to be used in real property decision making and to measure real property performance across agencies, and update federal guidance to address limitations, as needed.

Action

GSA will utilize the results of the survey to identify the potential limitations of the data in the context of the tools GSA is developing to assist agency decision-making and to measure cross-agency performance.



The Administrator

November 10, 2016

The Honorable Ron Johnson
Chairman
Committee on Homeland Security
and Governmental Affairs
United States Senate
Washington, DC 20510

Dear Chairman Johnson:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office's (GAO) final report entitled, *DIGITAL SERVICE PROGRAMS: Assessing Results and Coordinating with Chief Information Officers Can Improve Delivery of Federal Projects* (GAO 16-602).

GSA has reviewed this report in depth, agrees with the recommendations, and has developed a comprehensive plan to address the recommendations made. The enclosure sets forth the specific actions which will be taken in response to the recommendations made by GAO. I want you to know that I consider this report, as well as the others GSA receives from GAO, to be a very useful tool to assist in the pursuit of continuous improvement in GSA operations to better serve the American people.

If you have any questions or concerns, please do not hesitate to contact me at (202) 501-0800 or Ms. Lisa Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,

A handwritten signature in blue ink that reads "Denise T. Roth".

Denise Turner Roth
Administrator

Enclosure

cc: The Honorable Gene L. Dodaro, Comptroller General, GAO
Mr. David Powner, Director, Information Technology Management Issues, GAO
The Honorable Shaun Donovan, Director, Office of Management and Budget
The Honorable Jason Chaffetz, Chair, Committee on Oversight and
Government Reform

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The Honorable Thomas R. Carper, Ranking Member, Committee on Homeland
Security and Governmental Affairs
The Honorable Elijah Cummings, Ranking Member, Committee on Oversight and
Government Reform

U.S. General Services Administration
Actions Planned to Address the Recommendations in
GAO's Final Report - *DIGITAL SERVICE PROGRAMS Assessing Results and*
Coordinating with Chief Information Officers Can Improve Delivery of Federal
Projects (GAO 16-602)

Recommendations

To effectively measure 18F's performance, the Administrator of GSA should direct the Commissioner for the Technology Transformation Service (TTS) to take the following two actions:

1. ensure that goals and associated performance measures are outcome-oriented and that performance measures have targets, including
 - performance measures and targets tied to fully recovering program costs; and
 - goals, performance measures, and targets for how the program will achieve its mission after September 2016; and
2. assess actual results for each performance measure.

Actions

GSA will take the following actions:

- 1) Revise TTS Performance Measures to include targets on full cost recovery;
- 2) Revise TTS Performance Measures to include outcome-oriented goals and clearly defined, measurable quarterly targets;
- 3) Revise TTS Performance Measures to include outcome-oriented measures of mission-achievement beyond September 2016;
- 4) Develop a framework and methodology for assessment of results against performance measures; and
- 5) Implement quarterly assessments and reviews of actual results against revised performance measures



The Administrator

September 19, 2016

The Honorable Harold Rogers
The Honorable Nita Lowey
Chairman and Ranking Member
Committee on Appropriations
House of Representatives
Washington, DC 20515

The Honorable Thad Cochran
The Honorable Barbara Mikulski
Chairman and Ranking Member
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Ander Crenshaw
The Honorable José Serrano
Chairman and Ranking Member
Subcommittee on Financial Services
and General Government
Committee on Appropriations
House of Representatives
Washington, DC 20515

The Honorable John Boozman
The Honorable Christopher Coons
Chairman and Ranking Member
Subcommittee on Financial Services
and General Government
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Chairmen and Ranking Members:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office's (GAO) final report entitled, *Federal Travel: Opportunities Exist to Improve Data and Information Sharing*, (GAO-16-657).

GSA has reviewed this report in depth, agrees with the recommendations, and has developed a comprehensive plan to address the recommendations made. The enclosure sets forth the specific actions which will be taken in response to the recommendations made by GAO. I want you to know that I consider this report, as well as the others GSA receives from GAO, to be a very useful tool to assist in the pursuit of continuous improvement in GSA operations to better serve the American people.

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If you have any questions or concerns, please do not hesitate to contact me at (202) 501-0800 or Ms. Lisa Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,



Denise Turner Roth
Administrator

Enclosure

cc: The Honorable Gene L. Dodaro, Comptroller General, GAO
Ms. Michelle A. Sagar, Director, Strategic Issues, GAO
The Honorable Shaun Donovan, Director, Office of Management and Budget
The Honorable Ron Johnson, Chair, Senate Committee on Homeland Security
and Governmental Affairs
The Honorable Thomas R. Carper, Ranking Member, Senate Committee on
Homeland Security and Governmental Affairs
The Honorable Jason Chaffetz, Chair, House Committee on Oversight and Government
Reform
The Honorable Elijah Cummings, Ranking Member, House Committee on Oversight and
Government Reform

U.S. General Services Administration
Actions Planned to Address the Recommendations in
GAO's Final Report - *Federal Travel: Opportunities Exist to Improve Data and Information*
***Sharing* (GAO-16-657)**

Recommendation 1

The Administrator of General Services, in consultation with the STOC, should develop a travel data management approach, including common reporting formats that would provide GSA with more consistent travel cost data allowing GSA to compare travel costs across federal agencies. GSA could also include in this data management approach the planned implementation of the shared services model that would allow agencies to share a wide range of travel services with each other. This process could reduce both administrative costs and burden to the government and enable data-driven decision making.

Action

GSA will take the following actions:

- 1) Pursuant to 5 U.S.C. § 5707(c), and subject to formal approval by the Office of Management and Budget Director, conduct a test program to determine the opportunities and barriers for creating a reliable, standardized data repository containing Government-wide travel spend data;
- 2) Develop and test, in coordination with volunteer agencies and GSA City Pairs Program personnel, an airfare savings dashboard that assimilates data from multiple sources and provides information on savings and opportunities for additional airfare savings by agencies;
- 3) Publish an FTR Bulletin that identifies 5 core travel Key Performance Indicators that all agencies should use to improve travel management via standardized data; and
- 4) Identify and promote a consistent adaptation of standardized default configurations of air and lodging choices within all E-Gov Travel Service 2 systems.

Recommendation 2

The Administrator of GSA, as chair of the STOC, should work with the STOC to identify promising opportunities and implement leading practices to help agencies leverage their travel resources and implement travel cost-saving efforts.

Action

GSA will take the following actions:

1. GSA will establish a working group of STOC members to implement a process and protocol for documenting promising travel management and cost-savings practices; and
2. GSA will facilitate the working group to promote the new location, process, and protocol at the STOC meetings for Senior Travel Official and travel managers to evaluate posted travel management practices for implementation in their agencies, as well as post successful travel management practices from their respective agency.



The Administrator

December 21, 2016

The Honorable Thomas R. Carper
Ranking Member
Committee on Homeland Security and
Governmental Affairs
United States Senate
Washington, DC 20510

The Honorable Claire McCaskill
Ranking Member
Permanent Subcommittee on Investigations
Committee on Homeland Security and
Governmental Affairs
United States Senate
Washington, DC 20510

Dear Ranking Members:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office's (GAO) final report entitled *FEDERAL PROCUREMENT: Smarter Buying Initiatives Can Achieve Additional Savings, but Improved Oversight and Accountability Needed* (GAO-17-164).

GSA has thoroughly reviewed this report, agrees with its findings, and has developed a comprehensive plan to address the report's recommendations. The enclosure sets forth the specific actions that will be taken in response to the recommendations made by GAO. I want you to know that I consider this report, as well as the others GSA receives from GAO, to be a very useful tool to assist in the pursuit of continuous improvement in GSA operations to better serve the American people.

If you have any questions or concerns, please do not hesitate to contact me at (202) 501-0800 or Ms. Lisa Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,

A handwritten signature in blue ink that reads "Denise T. Roth".

Denise Turner Roth
Administrator

Enclosure

cc: The Honorable Gene L. Dodaro, Comptroller General, GAO
Mr. Timothy DiNapoli, Director, Acquisition and Sourcing Management, GAO
The Honorable Shaun Donovan, Director, Office of Management and Budget
The Honorable Jason Chaffetz, Chair, Committee on Oversight and Government Reform
The Honorable Elijah Cummings, Ranking Member, Committee on Oversight and Government Reform

**U.S. General Services Administration
Actions Planned to Address the Recommendations in
GAO's Final Report - *FEDERAL PROCUREMENT: Smarter Buying Initiatives Can
Achieve Additional Savings, but Improved Oversight and Accountability Needed*
(GAO-17-164)**

Recommendation 1

Provide oversight and support to the Information Retrieval FSSI to better align their practices with current FSSI guidance, related to collecting and using transactional data to calculate savings.

Action

GSA will take the following actions:

Conduct a gap analysis of the Information Retrieval FSSI and its compliance with FSSI standards in order to (1) determine unmet practices required for collecting and using transactional data for FSSI PMO Government-wide oversight and reporting, and (2) provide the Library of Congress with the FSSI best practice tools and resources related to collecting transactional data and calculating savings.

Recommendation 2

In collaboration with the Wireless FSSI, determine whether the initiative should modify its contract terms to enable the FSSI to share prices paid data with other federal agencies.

Action

GSA will take the following action:

Conduct an assessment to determine the best approach to share Wireless FSSI prices paid data with other Federal agencies.



The Administrator

December 7, 2016

The Honorable Bill Shuster
The Honorable Peter A. DeFazio
Chairman and Ranking Member
Committee on Transportation and Infrastructure
House of Representatives
Washington, DC 20515

The Honorable Lou Barletta
The Honorable André Carson
Chairman and Ranking Member
Subcommittee on Economic Development,
Public Buildings, and Emergency Management
Committee on Transportation and Infrastructure
House of Representatives
Washington, DC 20515

Dear Messrs. Chairmen and Ranking Members:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office's (GAO) final report entitled *Federal Courthouses: Actions Needed to Enhance Capital Security Program and Address Collaboration Issues* (GAO-17-6SU). GSA reviewed this report, agrees with the recommendations, and has developed a plan (enclosed) to address GAO's recommendations.

If you have any additional questions or concerns regarding GSA's response, please contact me at (202) 501-0800 or Ms. Lisa A. Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,

A handwritten signature in blue ink that reads "Denise T. Roth".

Denise Turner Roth
Administrator

Enclosure

cc: The Honorable Gene L. Dodaro, Comptroller General, GAO
Lori Rectanus, Director, Physical Infrastructure Issues, GAO

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Washington, DC 20405-0002

www.gsa.gov

U.S. General Services Administration (GSA)
Actions Planned to Address the Recommendations in
GAO's Final Report - Federal Courthouses: Actions Needed to Enhance Capital
Security Program and Address Collaboration Issues (GAO-17-6SU)

Recommendation 1

GAO recommends that the Administrator of GSA and the Director of the Administrative Office of the U.S. Courts (AOUSC), on behalf of the Judicial Conference of the United States, in conjunction with the U.S. Marshals Service (USMS) and Federal Protective Service (FPS), improve Capital Security Program (CSP) documentation in order to improve transparency and collaboration in the CSP program.

Action

GSA will take the following actions:

- 1) Assist the judiciary with the development of a Statement of Work to develop a handbook that will improve transparency and collaboration in the CSP.
- 2) Work with the judiciary, USMS, and FPS to develop the CSP Handbook that will include the background, policy, and processes used in the CSP concept study selection process, concept study development process, project selection process, and project design and construction process.

Recommendation 2

GAO recommends that the Administrator of GSA—in conjunction with AOUSC, the USMS, and FPS—establish a national-level working group or similar forum, consisting of leadership designees with decision-making authority, to meet regularly to address courthouse security issues.

Action

GSA will take the following actions:

- 1) Finalize the Courts Security Memorandum of Agreement between AOUSC, USMS, FPS, and GSA. This agreement will define the areas of responsibility for each agency with respect to the CSP.
- 2) Work with AOUSC, USMS, and FPS to develop a courthouse security working group charter that will state the group's purpose, goals, membership, operating principles, communication protocols, and meeting frequency.



The Administrator

November 22, 2016

The Honorable Thomas R. Carper
Ranking Member
Committee on Homeland Security and
Governmental Affairs
United States Senate
Washington, DC 20510

The Honorable Dianne Feinstein
United States Senate
Washington, DC 20510

The Honorable Peter A. DeFazio
Ranking Member
Committee on Transportation and Infrastructure
House of Representatives
Washington, DC 20515

Dear Ranking Members and Senator:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office's (GAO) final report entitled, *Earthquakes: Additional Actions Needed to Identify and Mitigate Risks to Federal Buildings and Implement an Early Warning System* (GAO-16-680).

I appreciate that GAO has recognized GSA's efforts to reduce earthquake risks to Federal buildings. These efforts have led to a definition of what constitutes an Exceptionally High Risk (EHR) building and development of the GSA Seismic Risk Rating (SRR) System. GSA has analyzed 71 buildings and plans to finish rating all buildings in high seismic areas next year. The SRR identified 8 EHR buildings, and GSA is in the planning process to mitigate risks in those buildings.

The enclosure sets forth the specific actions which will be taken in response to the recommendations made by GAO. I want you to know that I consider this report, as well as the others GSA receives from the GAO, to be a very useful tool to assist in the pursuit of continuous improvement in GSA operations to better serve the American people.

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If you have any additional questions or concerns, please contact me at (202) 501-0800 or Ms. Lisa A. Austin, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,



Denise Turner Roth
Administrator

Enclosure

cc: The Honorable Gene L. Dodaro, Comptroller General, GAO
Mr. David Wise, Director, Physical Infrastructure Issues, GAO
Mr. Chris Currie, Director, Homeland Security and Justice, GAO
The Honorable Shaun Donovan, Director, Office of Management and Budget
The Honorable Ron Johnson, Chair, Senate Committee on Homeland Security and
Governmental Affairs
The Honorable Jason Chaffetz, Chair, House Committee on Oversight and
Government Reform
The Honorable Elijah Cummings, Ranking Member, House Committee on
Oversight and Government Reform

U.S. General Services Administration
Actions Planned to Address the Recommendations in
GAO's Final Report - *Earthquakes: Additional Actions Needed to Identify and*
Mitigate Risks to Federal Buildings and Implement an Early Warning System
(GAO-16-680)

Recommendation 1

To strengthen efforts to mitigate earthquake risks to federal buildings, we recommend that the Secretary of Defense and the Administrator of GSA define what constitutes an exceptionally high risk building, identify such buildings, and develop plans to mitigate those risks, including prioritizing associated funding requests as needed.

Action

GSA will take the following actions:

- 1) GSA defined what constitutes an Exceptionally High Risk (EHR) building during the development of the GSA Seismic Risk Rating (SRR) System. GSA analyzed 71 buildings with the SRR and identified 8 EHRs. GSA is in the process of analyzing the remaining owned buildings in high seismic areas with the SRR.
- 2) GSA will develop plans to mitigate the EHR building seismic risks to include prioritizing associated funding requests as needed.

Recommendation 2

To the extent practicable, prioritize and implement comprehensive seismic safety measures which could include earthquake drills, seismic safety inspections, and non-structural retrofits to decrease risks and reduce damage in federally owned and leased buildings in earthquake hazard areas.

Action

GSA will take the following actions:

- 1) GSA will develop and perform earthquake drills similar to fire drills in high seismic areas and provide web-based information training nationwide.
- 2) GSA will develop a standardized earthquake safety inspection. Non-structural seismic hazards will be added to the GSA Consolidated Risk Management Survey. In addition, agencies are required to inspect their work spaces annually

(e.g., executive branch mandated by 29 CFR 1960). GSA's communication package to the tenant agencies will include a reminder for potential non-structural seismic hazards.

- 3) GSA will identify non-structural work during the Building Engineering Reports (BERs) process. Budget Activity 54 small project guidance will address non-structural retrofit work.